

“Exhibit I-1”

STATEMENT OF ACCOUNT

RAY QUINNEY & NEBEKER

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

POST OFFICE BOX 45385

SALT LAKE CITY, UTAH 84145-0385

TELEPHONE (801) 532-1500

FACSIMILE NO. (801) 532-7543

FEDERAL TAX ID NO. 87-0350651

Debtor USA Commercial Mortgage Co., et al.
Thomas J. Allison 4484 South Pecos Road
Las Vegas, NV 89121

January 19, 2007
Invoice No. 357307

For Legal Services Rendered Through October 31, 2006

Matter No. 34585-00001

Case Administration

10/02/06 B Kotter	.80 Phone call with R. Charles regarding rejection of computer leases and preservation of material/information (.2); analyze issues raised by UCC (.6).
10/02/06 E Monson	.30 Review e-mail from B. Barry (.1); draft and send e-mail to R. Walker regarding reviewing motion relating to B. Barry investment proceeds (.2).
10/02/06 E Monson	.20 Discussion with D. Griffith regarding Royal Hotel database.
10/02/06 S Strong	.40 Work on administrative expense allocations to the five estates (0.4).
10/02/06 S Strong	2.40 Research and analysis of intercompany claim issues (2.4).
10/02/06 C Hurst	3.20 Receipt and respond to calls from investors regarding 9/28 hearing and proof of claims (1.1); download updated docket and update tickler calendars (2.1).
10/02/06 L Okerlund	2.70 Prepare and claims binders.

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 2
 January 19, 2007

10/03/06 A Jarvis	.50 Conference with S. C. Strong regarding new bid, motions to be filed this week, loan issues.
10/03/06 B Kotter	.20 Respond to e-mail from E. A. Monson regarding OCR and document imaging expenses.
10/03/06 E Monson	.20 Review e-mail from Tawney and signed acknowledgements from J. Chubb involving Bauschers, J. Carter and S. Lowman in connection with request for Hilco appraisals.
10/03/06 S Strong	.70 Review further research from S. A. Cummings regarding intercompany claim issues (0.2); further research and analysis of intercompany claim issues (0.5).
10/03/06 S Strong	.20 Review and comment on draft of ordinary course professionals order (0.2).
10/03/06 C Hurst	2.60 Receipt, respond to several calls from investors regarding claim forms and requests for Disclosure Statement and Motion for Auction Sale (2.1); communicate with BMC regarding posting of key documents (.5).
10/04/06 A Jarvis	.40 Analyze IP document issues.
10/04/06 A Jarvis	.40 Work on Diversified asset bid, loan issues, court hearing matters.
10/04/06 A Jarvis	.50 Prepare for hearing.
10/04/06 A Jarvis	.80 Correspondence on IP documents.
10/04/06 E Monson	3.30 Research standards for extending bar date under Rules 3003 and 9006 of the Bankruptcy Rules and review cases.
10/04/06 S Strong	.50 Analyze debtors' liability insurance (0.5).
10/04/06 S Strong	.90 Further analysis of issues concerning intercompany claims (0.7) and motion needed to extend bar date for intercompany claims (0.2).
10/04/06 B Wride	.40 Analyze D&O Insurance coverage.

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 3
 January 19, 2007

- | | |
|---------------------|--|
| 10/04/06 C Hurst | 2.40 Research information for questions from investors (1.4) and receipt, respond to phone calls from multiple investors regarding Proof of Interest forms; Standard Property litigation status (answer date); parties with leases rejected at 9/28 hearing and requests for Disclosure Statement (1.0). |
| 10/04/06 C Hurst | 2.50 Update docket and internal tickler calendar (1.9); create spreadsheet for BMC to update USA Capital website with upcoming hearing information (.6). |
| 10/04/06 L Okerlund | 3.20 Prepare claims and hearing binders. |
| 10/05/06 A Jarvis | 1.50 Conference call with Mesirow, RQN, S&M teams regarding claims bar date issues, IP documents and collection issues. |
| 10/05/06 A Jarvis | .10 Correspondence with R. Charles regarding privacy issues. |
| 10/05/06 A Jarvis | .20 Correspondence on budget, cash use motion. |
| 10/05/06 C Hurst | .90 Locate and deliver Motion for Use of Cash through 10/29 to S. C. Strong with all responses and objections thereto (.2); call from investor regarding mailing list change (.1); update dockets and tickler calendar (.6). |
| 10/06/06 A Jarvis | .10 Correspondence regarding investor inquiry. |
| 10/06/06 C Hurst | .30 Receipt, respond to calls from investors (.3). |
| 10/06/06 L Okerlund | 5.20 Prepare hearing and claims' binders. |
| 10/07/06 A Jarvis | 1.00 Correspondence with client regarding meeting with committees, budget, use of funds. |
| 10/09/06 A Jarvis | .30 Correspondence regarding agenda for conference call with client, committees. |
| 10/09/06 A Jarvis | .30 Second conference call with T. Allison, Mesirow and RQN teams regarding APA, plan, fee, IP issues. |

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 4
 January 19, 2007

- 10/09/06 A Jarvis .20 Correspondence on subpoena served on behalf of investors.
- 10/09/06 B Kotter .70 Review of docket for proposed orders and entry (.6); e-mail to A. W. Jarvis and D. M. Monson requested documents (.1).
- 10/09/06 E Monson .20 Review subpoena from L. Davis regarding document request.
- 10/09/06 E Monson .50 Discussion with D. Griffith regarding issues involving Royal Hotel database.
- 10/09/06 E Monson 2.00 Participate in conference call with client to discuss IP issues and Royal Hotel.
- 10/09/06 E Monson 1.30 Outline possible resolution to issues involving turnover of database on the Royal Hotel.
- 10/09/06 E Monson .10 Draft e-mail to D. Griffith involving Royal Hotel database.
- 10/09/06 E Monson .20 Work on drafting order on pension motion and following up on finalizing order on ordinary course.
- 10/09/06 E Monson .20 Review e-mails involving motion on Bundy Canyon and B. Barry investment proceeds.
- 10/09/06 S Strong .70 Review e-mail from investor B. Susskind requesting information (0.1); conference with C. Hurst regarding same (0.2); telephone call with B. Susskind regarding proof of claim issues (0.3); exchange e-mails with B. Susskind regarding same (0.1).
- 10/09/06 S Strong .10 Follow-up on status of proposed orders on prior motions.
- 10/09/06 C Hurst 1.20 Receipt, respond to calls from investors (.4); review schedules for Susskind; scan and e-mail pursuant to investor request (.5); review updated docket (.3).
- 10/10/06 A Jarvis .40 Telephone conference with J. Atkinson regarding budget, administrative expenses, plan, APA.

Client No. 34585
Debtor USA Commercial Mortgage Co., et al.

Page: 5
January 19, 2007

10/10/06 A Jarvis .30 Correspondence on budget.

10/10/06 A Jarvis .30 Work on bid procedures, IP issues, trust issues.

10/10/06 B Kotter .30 Review of USA master calendar.

10/10/06 S Strong .20 Follow-up on order regarding ordinary course professionals (0.1); review e-mail from local counsel regarding same (0.1).

10/10/06 C Hurst .90 Receipt of e-mail from investor regarding unremitted principal and review schedules and reply (.5); research organization information regarding Royal Landholdings, LLC and forward to E. A. Monson (.3); call from rejected lease holder (.1).

10/10/06 C Hurst 2.60 Update docket, tickler calendar and scheduling chart for USA website (2.4); forward tickler calendar and scheduling chart to appropriate parties (.2).

10/10/06 L Okerlund 2.70 Prepare hearing binders.

10/11/06 B Kotter .60 Analysis and budget proposal of ongoing professional fees.

10/11/06 E Monson .10 Review calendar of upcoming events and deadlines.

10/11/06 S Strong 1.10 Review and compare early drafts of proposed order regarding Ordinary Course Professionals (0.2); revise and prepare detailed proposed order regarding Ordinary Course Professionals (0.8); circulate draft with comments to Mesirrow team, local counsel, and A. Jarvis for review (0.1).

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 6
 January 19, 2007

10/11/06 C Hurst	.250 UCC Search for Financing Statement of Salvatore Real Trust v. USA Investors on 9/26/06 - California, locate, download and forward (1.0); receipt, respond to calls from investors (.5); follow-up letter to investor, Cameron (.3); work on motions scheduled for hearing on 10/19 (.2); message from Ikon Leasing - locate and review Proof of Claim, return call; draft e-mail to Mesirov regarding further research on same (.5).
10/11/06 L Okerlund	5.70 Prepare hearing binders for 10/19/06 hearings.
10/12/06 S Call	1.50 Analyze issues pertaining federal receiverships.
10/12/06 E Monson	.30 Assemble materials for Hilco appraisal requests and review additional request for Hilco appraisals from L. Davis.
10/12/06 S Strong	.30 Exchange e-mails with J. Atkinson regarding ordinary course professionals order (0.2); e-mail to local counsel regarding final approval for same (0.1).
10/12/06 C Hurst	.20 Telephone call with IKON Financial regarding rejection of lease, proof of claim, and recovering further equipment.
10/13/06 E Monson	.10 Review e-mail from A. Landis regarding e-mail from P. Ridger.
10/14/06 A Jarvis	.50 Correspondence on IP issues.
10/15/06 A Jarvis	.20 Telephone conference with T. Allison regarding IP assets.
10/15/06 A Jarvis	.30 Correspondence on IP issues.
10/15/06 A Jarvis	.40 Draft memo to working group regarding assignments and agenda for upcoming week.
10/15/06 E Monson	.30 Review e-mail from A. W. Jarvis regarding items to be accomplished in upcoming week.
10/16/06 A Jarvis	.30 Review direct lender letter and correspondence regarding same.

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 7
 January 19, 2007

- | | |
|---------------------|---|
| 10/16/06 C Hurst | 4.30 Pull and index case cites from Motions and Briefs scheduled for 10/19 to assist with completing 10/19 hearing binders. |
| 10/16/06 L Okerlund | 2.50 Prepare hearing binders. |
| 10/17/06 S Call | .30 Continued analysis of issues pertaining to federal receiverships and matters pertaining to preferences and fraudulent transfers. |
| 10/17/06 A Jarvis | .20 Telephone conference with T. Allison regarding meeting with J. Milanowski, IP issues, meeting with SEC. |
| 10/17/06 A Jarvis | .20 Telephone conference with T. Allison regarding loan collection issues, IP issues. |
| 10/17/06 A Jarvis | .20 Correspondence on IP documents. |
| 10/17/06 B Kotter | .60 Revise hearing binder with case authority in advance of hearing. |
| 10/17/06 C Hurst | 1.00 Respond to calls from investors; forward Proof of Interest form to Diversified Fund Investor (.5); research/attempt to obtain UCC financing statement from Nevada Secretary of State (.5). |
| 10/17/06 L Okerlund | 2.10 Prepare hearing binders; prepare claims binders. |
| 10/18/06 B Kotter | .60 Assist in preparation for omnibus hearing in Las Vegas. |
| 10/18/06 E Monson | .30 Work on obtaining corporation information on USA Commercial Real Estate Group. |
| 10/18/06 E Monson | .10 Draft e-mail to S. Smith regarding getting investor statement for USA Commercial Real Estate group. |
| 10/18/06 E Monson | .20 Review distribution order. |
| 10/18/06 E Monson | .10 Draft e-mail to L. Schwartzer and J. McPherson regarding objection to motion to distribute funds. |

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 8
 January 19, 2007

10/18/06 E Monson	.10 Draft e-mail to R. Walker regarding Bob Berry motion.
10/18/06 S Strong	.70 Review matters set for hearing tomorrow (0.7).
10/18/06 C Hurst	3.00 Download updated docket and pleadings filed 10/18 for hearing on 10/19 to review all with S. C. Strong in preparation (1.0); closely review pleadings; update tickler calendar (2.0).
10/18/06 L Okerlund	5.10 Organize and manage documents for use in case.
10/19/06 B Kotter	.20 Review response deadline calendar.
10/19/06 R Madsen, II	.30 Continued work on litigation schedules.
10/19/06 E Monson	1.60 Work on opposition to motion to enforce distribution offer and circulate draft to client and local counsel.
10/19/06 E Monson	.40 Revise opposition to motion to enforce and send to L. Schwartzer and J. McPherson for filing.
10/19/06 E Monson	.20 Discussion with B. Berry regarding motion relating to proceeds on Bundy Canyon.
10/19/06 E Monson	.20 Review calendar from C. Hurst regarding upcoming deadlines and pleadings to be filed.
10/20/06 A Jarvis	.20 Correspondence on budget.
10/20/06 A Jarvis	.30 Work on preparation of budget, issues raised by budget.
10/20/06 B Kotter	.30 E-mail exchange with S. C. Strong regarding hearing issues.
10/20/06 L Okerlund	6.00 Prepare pleadings and claims binders.
10/23/06 A Jarvis	.40 Correspondence on IP documents.
10/23/06 C Hurst	2.20 Respond to investor calls, e-mail inquiries (.3); complete draft of Master Service List #5; forward to Schwartzer & McPherson (.9); pull/download supplemental responses to auction and retention motions for 10/25 hearing binders (1.0).

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 9
 January 19, 2007

10/24/06 S Cummings	1.00 Processing of Hilco appraisal requests for L. Davis.
10/24/06 E Monson	.10 Review response of FTDF to Cash Motion.
10/24/06 E Monson	.50 Follow up on requests for Hilco appraisals and most recent request from L. Davis and forward him information needed to handle the results.
10/24/06 E Monson	.20 Review e-mails from B. Barry and work on Motion on Escrowed Funds from B. Barry and others.
10/24/06 E Monson	.10 Review e-mail from J. Chubb regarding information on Najave Canyon.
10/24/06 C Hurst	.40 Lengthy conversation with investor Rosalie Morgan.
10/24/06 L Okerlund	6.00 Prepare pleadings and hearing binders.
10/25/06 S Cummings	.30 Continued processing of appraisal requests for L. Daves.
10/25/06 B Kotter	.30 Respond to e-mail from J. Reed regarding Houston matters.
10/25/06 C Hurst	4.30 Receive, respond to calls from investors (review Chapter 11 schedules and respond) (.6); update docket binder to update tickler calendar and distribute to attorneys with critical response/reply dates (3.7).
10/26/06 A Jarvis	.20 Work on issues regarding motion UST's to convert.
10/26/06 A Jarvis	.45 Conference call with Diversified Committee and UCC regarding IP issues (.9).
10/26/06 B Kotter	5.50 Draft reply brief in support of Motion to exclude debtors from filing inter-company claims by Bar Date or extending Bar Date (5.5).
10/26/06 E Monson	.60 Follow-up on hearing matter and pleadings that need to be filed and other actions to be accomplished (.6).

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 10
 January 19, 2007

10/26/06 E Monson	3.50 Review draft of reply to cross motion prepared by A. Tsu and make revisions thereto and review of objection to cross motion and original motion (3.5).
10/26/06 E Monson	.60 Work on intercompany claims issues (.6).
10/26/06 E Monson	.10 Review UCC's joinder in opposition to motion to distribute facts filed by USA Capital Realty (.1).
10/26/06 E Monson	.20 Review emails on management fees (.2).
10/26/06 E Monson	.20 Analyze assignment protocol issues for Maggie Stone (.2).
10/26/06 S Strong	1.10 Exchange emails with A. Tsu regarding Reply needed on cash usage motion (0.2); review issues raised regarding management fees (0.6); exchange emails with S. Smith and J. Atkinson regarding same (0.3).
10/26/06 S Strong	.30 Telephone call with J. McPherson regarding tomorrows filings and coordination of other case administration issues (.3).
10/26/06 C Hurst	2.10 Respond to investor calls (.9); communicate with USA regarding website updates (.3); receipt, review of incoming pleadings and research regarding U.S. Trustee motion and McKnight joinder to U.S. Trustee's motion to convert (.9).
10/26/06 L Okerlund	4.20 Prepare pleadings and hearing binders.
10/27/06 E Monson	.50 Work on reply in support of cash usage motion.
10/27/06 E Monson	.20 Review and reply to e-mails from Bob Barry.
10/27/06 S Strong	.80 Review and edit draft of Reply regarding cash usage (0.6); review final draft and transmit with instructions to local counsel for filing (0.2).

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 11
 January 19, 2007

10/27/06 C Hurst	4.10 Receipt, respond to investor calls (.4); monitor docket for filings for 10/30 hearing; update hearing binder (1.4); identify, pull case cites in motion and briefs relating to U.S. Trustee conversion motion, index same (2.3).
10/27/06 L Okerlund	.50 Prepare hearing binders.
10/29/06 E Monson	.30 Review e-mails from L. Schwartzer and S. C. Strong regarding motion to use cash and response to FTDF agreement regarding management fee.
10/30/06 E Monson	.50 Follow-up on hearing and motion to convert issues.
10/30/06 S Strong	.30 Telephone conference with E. A. Monson regarding court rulings and results of todays hearings and action items (.3).
10/30/06 C Hurst	2.00 Review, update docket binder (.8); return calls to investors (lengthy call with Carol Marini - California) (1.2).
10/30/06 L Okerlund	5.30 Organize documents in advance of hearing and case needs.
10/31/06 E Monson	.20 Discussion with J. McPherson regarding motion involving Bob Berry funds and her conversation with Jeff Sylvester (.2); work on real property issues in Bob Berry motion (.3).
10/31/06 E Monson	.20 Review email from S. Smith regarding investor statements on USA Commercial Real Estate Group and review statements and send reply to Susan. (.2)
10/31/06 E Monson	.50 Follow-up on order on information and review and discuss with J. Jarvis and J. Atkinson (.5).
10/31/06 E Monson	.10 Draft email to S. Smith regarding distribution order on bank website (.1).

Client No. 34585
Debtor USA Commercial Mortgage Co., et al.

Page: 12
January 19, 2007

10/31/06 E Monson	1.10 Respond to M. Olsen email regarding Hilco appraisal (.3); send email to B. Higgins and G. Gassen regarding DL confidentiality agreement (.2); review multiple emails from M. Olsen, A. Jarvis, and T. Allison regarding issues on Hilco appraisals (.4); analyze issues raised in emails from client (.2).
10/31/06 C Hurst	.40 Review docket for Minute Entry of 10/30 hearings; correspond with USA media contact regarding posting of "Motion to Convert" Ruling.
10/31/06 L Okerlund	4.70 Review and organize documents for use at hearings.

TOTAL FOR LEGAL SERVICES RENDERED \$26,311.75

“Exhibit I-2”

STATEMENT OF ACCOUNT

RAY QUINNEY & NEBEKER

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

POST OFFICE BOX 45385

SALT LAKE CITY, UTAH 84145-0385

TELEPHONE (801) 532-1500

FACSIMILE NO. (801) 532-7543

FEDERAL TAX ID NO. 87-0350651

Debtor USA Commercial Mortgage Co., et al.
 Thomas J. Allison 4484 South Pecos Road
 Las Vegas, NV 89121

January 19, 2007
 Invoice No. 357308

For Legal Services Rendered Through October 31, 2006

Matter No. 34585-00002

Asset Analysis and Recovery

- | | |
|--------------------|--|
| 10/02/06 S Strong | .80 Telephone conference with J. Hermann and R. Charles regarding pending sale of Royal Hotel and potential proceeds for debtors estates (0.3); review email from J. Hermann with title commitment regarding Royal Hotel (0.3); email to T. Allison and A. W. Jarvis regarding same (0.2). |
| 10/02/06 S Tingey | .30 Analyze Royal Hotel issue (0.3). |
| 10/02/06 E Toscano | .10 Followup with Stewart Title on the preliminary report for USA Investors VI, LLC. |
| 10/03/06 S Strong | .90 Review issues regarding pending sale of Royal Hotel (0.1); review email from J. Hermann regarding draft closing statement for Royal (0.1); analysis of Royal draft closing statement (0.3); telephone conference with J. Atkinson regarding same (0.4). |
| 10/04/06 S Strong | .30 Review and analysis of security agreements for 10-90, Inc. loan and IP pledge (.3). |
| 10/04/06 S Tingey | 1.80 Communicate with A. Stevens regarding Flatley settlement issues (0.2); analyze issues raised by assignment of interests by direct lender (1.6). |

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 2
 January 19, 2007

- | | |
|--------------------|--|
| 10/04/06 E Toscano | .60 Telephone calls and emails with Felicia Markham at Stewart Title regarding obtaining a preliminary report for USA Investors IV, LLC property (.2); draft email to S. C. Tingey regarding same (.1); emails with Felicia Markham at Stewart Title regarding our request (.3). |
| 10/05/06 S Strong | .20 Work on additional research on IP recovery issues. |
| 10/05/06 S Strong | 1.50 Participate in conference call with T. Allison, J. Atkinson, S. Smith, and E. A. Monson regarding proposed Royal payoff issues and related issues regarding potential recoveries from IP. |
| 10/05/06 S Tingey | .80 Review letter from Hines regarding Shamrock Towers (0.3); memo to M. Olson regarding same (0.3); communicate with A. Stevens regarding Flatley settlement issues (0.2). |
| 10/06/06 A Jarvis | .60 Telephone conference with R. Walker regarding IP negotiations for recovery of value for estate. |
| 10/09/06 A Jarvis | .40 Telephone conference with R. Walker regarding IP issues, Ashby/Roripaugh Ranch issues. |
| 10/09/06 A Jarvis | .40 Telephone conference with M. Levinson and R. Walker regarding IP issues, Ashby/Roripaugh Ranch issues. |
| 10/09/06 A Jarvis | .40 Telephone conference with J. Atkinson and M. Levinson regarding IP issues. |
| 10/09/06 A Jarvis | 2.00 Conference call with Mesirow team regarding IP issues, new information, course of action to recover value from IP. |
| 10/09/06 S Strong | .40 Participate in telephone call with T. Allison, B. Fasel, J. Atkinson, S. Smith, M. Pugsley and A. W. Jarvis regarding current strategies for collecting debts to estates owed by IP, and related SEC investigation. |

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 3
 January 19, 2007

- | | |
|-------------------|--|
| 10/09/06 S Tingey | 1.80 Review correspondence from borrower regarding University Estates and analyze claims made by borrower (0.8); telephone conference with J. Bass at Stewart Title regarding Meadow Creek Partners (0.3); review Meadow Creek Partners pay-off issues (0.7). |
| 10/10/06 A Jarvis | .70 Analyze IP and investors issues. |
| 10/10/06 A Jarvis | .30 Telephone conference with J. Atkinson regarding IP issues. |
| 10/10/06 A Jarvis | .40 Correspondence on IP issues. |
| 10/10/06 A Jarvis | .50 Telephone conference with T. Allison regarding IP issues, conference calls with committees, possible courses of action. |
| 10/10/06 A Jarvis | .20 Correspondence on IP issues. |
| 10/10/06 E Monson | 2.30 Work on proposal relating to proceeds from sale of Royal Hotel (.5); review e-mails from K. G. Glade and A. W. Jarvis regarding Royal Hotel and send reply to K. G. Glade (.4); review settlement statement (.4); discussion with D. Griffith regarding Royal Hotel and issues related thereto (.5); discussion with A. W. Jarvis, A. T. Brinkerhoff and Mesirow team regarding Royal Hotel and IP issues (.5). |
| 10/10/06 E Monson | 3.70 Meetings with J. Atkinson, L. Bauck, P. Chang, L. Meiss, S. Smith and A. T. Brinkerhoff regarding IP issues. |
| 10/10/06 S Strong | 1.40 Telephone call with J. Atkinson regarding Royal Hotel issues (0.3); further analysis of proposed closing statement and entities listed as proposed recipients of payoff proceeds (1.1). |
| 10/10/06 S Tingey | 1.90 Review title report on Hotel Zosa (0.5); telephone conference with A. Stevens and M. Haftl regarding University Estates (0.3); draft letter to University Estates (0.9); review Meadow Creek partner issues raised by title company (0.2). |

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 4
 January 19, 2007

- | | |
|--------------------|--|
| 10/10/06 E Toscano | .20 Follow-up with emails and telephone calls on preliminary report for USA Capital investors, VI, LLC; update file. |
| 10/11/06 A Jarvis | .30 Conference with E. A. Monson, S. C. Strong and A. T. Brinkerhoff regarding IP issues, recovery of assets from IP. |
| 10/11/06 A Jarvis | .60 Telephone conference with J. Atkinson, E. A. Monson, S. C. Strong and A. T. Brinkerhoff regarding IP issues, recovery of assets from IP. |
| 10/11/06 A Jarvis | .50 Conference with E. A. Monson, S. C. Strong and A. T. Brinkerhoff regarding proposed courses of action against IP. |
| 10/11/06 A Jarvis | .50 Correspondence on IP issues. |
| 10/11/06 A Jarvis | .80 Analyze IP issues, drafting pleadings. |
| 10/11/06 A Jarvis | .70 Review and gather documents regarding IP issues. |
| 10/11/06 E Monson | .40 Review corporate information on Royal Land Holdings, Inc. (.2); review information on HMA Sales (.2). |
| 10/11/06 E Monson | .40 Send e-mail to C. Hurst regarding request for recently filed UCC on Hotel Zosa (.1); review UCC-1 on Hotel Zosa (.3). |
| 10/11/06 E Monson | 1.60 Evaluate IP issues. |
| 10/11/06 E Monson | .60 Conference with J. Atkinson, S. C. Strong and A. W. Jarvis regarding IP issues. |
| 10/11/06 E Monson | .70 Research regarding federal remedies. |
| 10/11/06 E Monson | 2.00 Conference with counsel for Diversified Committee and Unsecured Creditors Committee regarding IP issues. |
| 10/11/06 E Monson | .30 Additional conference with Mesirow from prior to call with Diversified and Unsecured Committees. |

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 5
 January 19, 2007

- | | |
|---------------------|---|
| 10/11/06 E Monson | .50 Review of documents showing funds going from Diversified Fund to various IP committees. |
| 10/11/06 S Strong | .30 Evaluate lien placed on IP property (Hotel Zosa) (0.1); review revised proposed stipulated order regarding IP documents (0.2). |
| 10/11/06 S Strong | 1.60 Telephone call with J. Atkinson regarding IP recovery issues (0.3); confer with A. Brinkerhoff, A. Jarvis and E. Monson regarding same (0.3); telephone call with J. Atkinson and RQN team regarding current issues in dealing with IP and its debts owed to debtors (0.6); further analysis of issues regarding same (0.4). |
| 10/11/06 S Strong | 1.40 Participate in telephone call with T. Allison, J. Atkinson, A. Jarvis, E. Monson and A. Brinkerhoff regarding Royal and Marquis pending sales and potential recoveries for USACM and Diversified (0.3); participate in telephone call with professionals of UCC, DTDC, and debtors regarding same (1.1). |
| 10/11/06 S Strong | .20 Telephone call with S. Smith regarding debts owed by IP. |
| 10/11/06 S Tingey | 1.70 Revise letter to University Estates (0.7); communication with USA regarding same (0.2); review issues raised by title company regarding Meadow Creek Partners (0.4); telephone conference with J. Bass, Stewart Title Company (0.2); review additional information regarding Hotel Zosa liens and title (0.2). |
| 10/11/06 E Toscano | .20 Review correspondence from Stewart Title and forward preliminary report to Steve Tingey. |
| 10/12/06 S Cummings | 3.00 Analysis of the effect of BAPCPA changes to 303 (b) (1). |
| 10/12/06 A Jarvis | .50 Conference call with Diversified and Unsecured Creditors Committees regarding IP issues, recovery of assets. |
| 10/12/06 A Jarvis | .30 Correspondence on negotiations with IP. |

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 6
 January 19, 2007

10/12/06 E Monson	.20 Research possible federal remedies for IP issues.
10/12/06 E Monson	1.50 Conference with Diversified and unsecured Committee counsel regarding IP issues and possible resolution of IP document issues.
10/12/06 E Monson	2.70 Work on T. Allison declaration on IP issues.
10/12/06 E Monson	.20 Research on IP issues.
10/12/06 E Monson	.20 Review e-mail from A. T. Brinkerhoff regarding money going from USACM to IP.
10/12/06 E Monson	.40 Review research on subsection 303(b).
10/12/06 S Strong	2.00 Evaluations regarding further options in dealing with debts owed by IP (1.7); review matters regarding SEC investigation relating to IP (0.3).
10/12/06 S Strong	1.50 Research regarding involuntary bankruptcy options concerning IP entities (1.5).
10/12/06 S Tingey	1.20 Evaluation of guarantors on Mtn. House (Pegasus) and Golden State loan (0.2); review correspondence from direct lenders on Standard Property loan (0.2); review issues raised by Silver Pointe regarding various loans (0.8).
10/13/06 A Brinkerhoff	3.80 Work on and draft initial portions of Declaration of Thomas Allison regarding tracing diversified funds to and through various entities.
10/13/06 S Cummings	3.70 Analysis of the standards for appointing a trustee under 303(g) and 1104 (a).
10/13/06 A Jarvis	.20 Telephone conference with R. Walker regarding IP issues.
10/13/06 E Monson	.30 Review e-mails from A. T. Brinkerhoff and L. Bauck regarding documents on transfer of money out of the Diversified Fund and send reply.
10/13/06 E Monson	.20 Review transfers and documents relating thereto.

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 7
 January 19, 2007

10/13/06 E Monson	.10 Review additional e-mail from L. Bauck.
10/13/06 E Monson	.80 Review additional e-mail from L. Bauck and accompanying materials, checks and documents regarding transfers from Diversified Fund.
10/13/06 E Monson	2.60 Work on declaration of Tom Allison relating to transfer of monies from Debtors to other entities.
10/13/06 S Strong	.80 Telephone call with R. Walker regarding IP issues.
10/13/06 S Strong	.20 Evaluation regarding IP issues (0.2).
10/13/06 S Strong	.20 Review research regarding collection theory for IP debt.
10/13/06 S Tingey	2.20 Revise questions raised by Silverpoint (0.4); telephone conference with attorney for Silverpoint regarding various due diligence issues (0.5); review Marquis Hotel issues (0.2); telephone conference with Dennis Chatlin, of title company, regarding Hotel Marquis (0.2); telephone conference with M. Stone regarding Marquis Hotel (0.2); review documents and analyze questions raised by Silverpoint attorneys (0.4).
10/15/06 E Monson	.50 Review IP issues in anticipation for committee call (.5).
10/15/06 E Monson	1.60 Participate in conference call with Committee Counsel regarding IP issues.
10/16/06 A Brinkerhoff	.80 Receipt and review of information from L. Bauck (.4); work on draft declaration of T. Allison (.4).
10/16/06 A Jarvis	.20 Telephone conference with T. Allison regarding IP issues.
10/16/06 A Jarvis	.40 Telephone conferences with T. Allison regarding negotiations with J. Milanowski.
10/16/06 A Jarvis	.20 Correspondence on Royal Hotel.

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 8
 January 19, 2007

10/16/06 A Jarvis	.20 Telephone call to R. Walker and correspondence regarding IP issues.
10/16/06 A Jarvis	.20 Correspondence with Diversified Committee professionals regarding message from R. Walker.
10/16/06 E Monson	.70 Conference with T. Allison, A. W. Jarvis, S. C. Strong and counsel for the Diversified Fund regarding IP issues.
10/16/06 E Monson	.20 Follow up call with T. Allison regarding IP issues.
10/16/06 E Monson	.10 Return call to D. Griffith.
10/16/06 E Monson	.30 Locate and send property description on Royal Hotel to A. W. Jarvis and review e-mails from A. W. Jarvis and J. Hermann regarding same.
10/16/06 E Monson	.10 Review transfers from Diversified Fund to IP entities.
10/16/06 E Monson	.20 Discussion with D. Griffith regarding issues involving IP documents.
10/16/06 E Monson	.10 Update A. T. Brinkerhoff regarding discussions on IP documents.
10/16/06 S Strong	1.20 Analysis of options for dealing with current IP problems (0.3); participate in telephone conference with T. Allison, M. Tucker, M. Levinson, J. Hermann, A. W. Jarvis and E. A. Monson regarding same (0.6); confer with A. W. Jarvis and E. A. Monson regarding coordination of efforts regarding same (0.2); telephone conference with T. Allison and A. W. Jarvis regarding action items regarding IP issues (0.1).
10/16/06 S Strong	.30 Review Royal Hotel lien issues (0.1); telephone conference with S. Smith regarding IPs creditors (0.2).
10/16/06 S Tingey	.20 Communicate with A. W. Jarvis regarding Sheraton Hotel/Hotel Zosa issues (0.2).

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 9
 January 19, 2007

- 10/17/06 A Brinkerhoff 1.10 Further review of accounting materials from L. Bauck (.6); review emails regarding tensions with Mr. Milanowski (.2); work on Declaration of T. Allison (.3).
- 10/17/06 S Cummings 2.90 Analysis of viability of third creditor's claim for potential involuntary petition.
- 10/17/06 S Cummings .40 Analysis of effect of automatic stay in involuntary bankruptcy.
- 10/17/06 A Jarvis .40 Telephone conference with R. Walker and J. Hermann regarding IP issues.
- 10/17/06 A Jarvis .40 Correspondence regarding IP issues.
- 10/17/06 A Jarvis .40 Telephone conference with T. Allison regarding IP issues.
- 10/17/06 A Jarvis .30 Evaluation of Royal Hotel receivables.
- 10/17/06 A Jarvis .40 Draft memo to Diversified Committee regarding demands on IP.
- 10/17/06 A Jarvis .40 Revise list of demands for IP.
- 10/17/06 A Jarvis .80 Correspondence with S. C. Tingey regarding documents drafted for IP.
- 10/17/06 A Jarvis .40 Correspondence with R. Walker regarding meeting with J. Milanowski, demands on IP, settlement offer.
- 10/17/06 A Jarvis .50 Correspondence on and review of documents prepared for IP.
- 10/17/06 E Monson .20 Review e-mail from J. Milanowski and budget for proceeds from sale of Marquis/Monaco.
- 10/17/06 S Strong .70 Research regarding possible involuntary bankruptcy of IP (0.7).
- 10/17/06 S Strong .20 Participate in telephone conference with T. Allison and A. W. Jarvis regarding IP issues and strategies (.2).

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 10
 January 19, 2007

- | | |
|------------------------|--|
| 10/17/06 S Tingey | 5.00 Review default interest issues (1.1); conference call with USA and Mesirow regarding default interest issues (1.3); draft assignment of receivables regarding Royal Hotel and analyze related issue (2.6). |
| 10/18/06 S Cummings | .80 Continued analysis of viability of third creditor's for potential involuntary petition. |
| 10/18/06 S Strong | .50 Exchange emails with J. McPherson regarding J. Milanowskis motion to compel distribution to his entity (0.2); work on opposition to same (0.2); email to local counsel regarding status of same (0.1). |
| 10/18/06 S Tingey | .30 Revise letter to University Estates regarding claims made by borrower (0.3). |
| 10/18/06 S Tingey | 2.00 Communicate with A. W. Jarvis and J. Hermann regarding Royal Hotel issue (0.3); revise Security Agreement regarding Royal Hotel (0.6); email to R. Walker regarding Royal Hotel Security Agreement (0.1); telephone conference with M. Haftl and A. Stevens regarding Marquis Hotel loan (0.3); review default interest issues regarding Marquis Hotel (0.3); revise letter to USA VI regarding Marquis Hotel (0.2); telephone conference with A. Stevens regarding same (0.2). |
| 10/18/06 S Tingey | 2.40 Review UCC state filing issues (0.3); review new correspondence from University Estates and analyze claims (0.3); review default interest issues on maturity and interest default loans (1.8). |
| 10/19/06 A Brinkerhoff | .90 Review additional documents and materials regarding inter company transfers through USA IP (.9). |
| 10/19/06 S Strong | .50 Review emails from A. W. Jarvis regarding IP documents to be signed in favor of debtors (0.2); review and prepare documents for IPs counsel (0.2); confer with R. Walker and deliver documents to him for his clients signature (0.1). |

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 11
 January 19, 2007

10/19/06 S Tingey	1.30 Analyze default interest issues regarding loans being given action (.09); revise letter to University Estates (0.4).
10/20/06 A Brinkerhoff	.40 Follow-up on hearing issues and impact on IP issues moving forward (.4)
10/20/06 S Cummings	.20 Research regarding section 303 issues.
10/20/06 S Strong	.40 Review emails from S. Smith and T. Allison regarding IP pledge issues (0.2); research on issues in dealing with IP (0.2).
10/20/06 S Tingey	1.30 Review correspondence from attorney for Anchor B and correspondence from D. M. Monson and Mesirow regarding response and analyze settlement claims (0.9); review questions concerning Slade and communication with A. Stevens regarding same (0.4).
10/23/06 A Jarvis	.40 Correspondence on Royal Hotel, IP assets.
10/23/06 E Monson	.30 Review e-mails from A. W. Jarvis, M. Levinson and M. Tucker regarding Stoneridge and Royal Hotel properties and participate in conference call.
10/23/06 E Monson	.50 Conference with M. Levinson regarding e-mail from J. Milanowski regarding issues involving Ohio State Bank and review of documents.
10/23/06 S Tingey	2.30 Review Marquis Hotel/Sheraton Hotel issues (0.2); review pleadings in Huntsville/West Hills bankruptcy (0.2); telephone conference with attorney for 1st lienholder on West Hills/Huntsville (0.2); analyze strategy regarding Huntsville bankruptcy (0.7); review information regarding BySynergy (0.2); communicate with A. Stevens regarding same (0.2); additional review of loan documents for default interest issues (0.8).
10/24/06 A Jarvis	.40 Correspondence on IP issues, status of Hotel Sozo.
10/24/06 A Jarvis	.20 Telephone conference with J. Atkinson regarding IP issues.

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 12
 January 19, 2007

- | | |
|-------------------|---|
| 10/24/06 A Jarvis | .50 Correspondence with D. Griffiths and R. Walker regarding IP issues. |
| 10/24/06 E Monson | .20 Review correspondence to R. Walker and D. Griffith regarding Ohio State Bank documents and other IP issues. |
| 10/24/06 S Tingey | 1.50 Obtain information regarding Huntsville and telephone conference with attorney for 1st lienholder (0.4); review default interest issues (0.4); telephone conference with M. Haftl regarding Oak Shores default interest (0.2); revise memo regarding default interest issues (0.5). |
| 10/25/06 A Jarvis | .40 Correspondence regarding IP issues. |
| 10/25/06 S Tingey | 3.90 Communicate with M. Haftl regarding BySynergy and provided information to FTI regarding BySynergy (0.3); revise letter to M. Guyman regarding Anchor B loan (0.2); additional review of default interest issues and specific loan document and questions and draft memo regarding default interest issues (3.4). |
| 10/26/06 A Jarvis | .40 Telephone conference with T. Allison regarding Ashby, IP issues, motion to convert. |
| 10/26/06 A Jarvis | 1.20 Meeting with working group regarding IP issues, options to pursue. |
| 10/26/06 E Monson | .20 Review emails from A. Jarvis and email for DCDF regarding course of action on PD issues (.2). |
| 10/26/06 E Monson | 1.20 Meet with A. Brinkerhoff, A. Jarvis, M. Pugsley and S. Strong to discuss issues and go over assignments of projects (1.2). |
| 10/26/06 S Strong | 1.20 Meet with A. W. Jarvis, E. A. Monson, A. T. Brinkerhoff, and M. J. Pugsley regarding current issues and options concerning pursuit of amounts owed to estates by IP (1.2). |

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 13
 January 19, 2007

10/26/06 S Tingey

5.80 Telephone conference with M. Schmidt, attorney for BySynergy (0.2); communicate with A. Stevens regarding same (0.1); additional analysis and review of default interest issues and communicate with Mesirrow regarding same (3.6); Telephone conference with M. Haftl regarding Marquis loan issues and analyze loan documents regarding same (0.5); telephone conference with A. Stevens regarding Colt loans and analyze documents regarding same (0.4); review HFA loans regarding forbearance and default issues (0.3); memo to E. Karasik regarding University Estates loan and communicate with borrower (0.3); review HFA loans regarding title report and update (0.4).

10/26/06 E Toscano

.50 Review email and attachment from Steve Tingey for updated title report on HFAH Clear Lake LLC property in Florida (.1); research to locate appropriate Fidelity National Title office (.1); telephone calls with officers at Fidelity National Title (.1); draft email to Pia Kastrenakes at Fidelity National Title with request for an ownership and encumbrance report on the subject property (.2).

10/27/06 A Brinkerhoff 1.10 Review tracing evidence relating to Royal Hotel in connection with theories for Complaint.

10/27/06 E Monson

.20 Review e-mail from D. Monson regarding litigation on Copper Sage II Loan.

10/27/06 S Tingey

4.30 Telephone conference with M. Stone regarding Glendale Tower and Urban Housing (0.2); analyze Glendale and Urban Housing issue and memo to Mesirrow regarding same (2.1); draft letter to borrower for USA regarding Hesperia II - South California land default and communicate with USA regarding same (0.9); communicate with R. Reed regarding default interest issues (0.3); communicate with Mesirrow regarding Anchor B and revise letter

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 14
 January 19, 2007

to Anchor B attorney (0.3); communicate with M. Olson regarding Cottonwood Hills payoff issues (0.2); obtain information regarding various title reports and new reports needed and communicate with USA (0.4).

- | | |
|------------------------|---|
| 10/30/06 S Tingey | 1.30 Review default interest issues and notice to customers and communicate with M. Haftl regarding default interest issues (0.5); telephone conference with M. Olson regarding HFA forbearance issues (0.2); review UCC filing issue and review information (0.4); communicate with Mesirow regarding BySynergy loan issue (0.2). |
| 10/30/06 E Toscano | 1.00 Review existing title policies for Roripaugh Ranch and HFA Monaco (.5); research to locate appropriate title company offices and officers who can assist with updated title reports (.2); draft email to Amy Owens at Fidelity National regarding the Monaco property (.1); emails with Gina Zepeda regarding the Roripaugh Ranch property (.2). |
| 10/31/06 A Brinkerhoff | 1.70 Work on evidence search for recovery from IP (1.7). |
| 10/31/06 S Cummings | 1.50 Analysis of insider as petitioning creditor issues. |
| 10/31/06 S Cummings | .40 Analysis of whether an LLC is a partnership under 303(b)(3) |
| 10/31/06 A Jarvis | .90 Draft memo to attorneys for J. Milanowski regarding status of plan, timing for filing and confirmation, issues respecting IP. |
| 10/31/06 E Monson | 4.90 Conference with counsel from the Diversified Fund regarding IP issues (1.4); follow-up conference call with client regarding IP issues and loan collection issues (.8); work on declaration of T. Allison regarding IP issues (2.7). |
| 10/31/06 E Monson | .30 Review notice of default on Hesperian plaintiff loan (.3). |

Client No. 34585
 Debtor USA Commercial Mortgage Co., et al.

Page: 15
 January 19, 2007

10/31/06 E Monson	.30 Review offer drafted by D. Anderson and Debra Harber and Marlton loans and send reply with comments (.3).
10/31/06 S Strong	.20 Analyze issues regarding financial information requested by J. Milanowski (.2).
10/31/06 S Strong	.50 Further review of legal issues regarding options for dealing with IP (0.5).
10/31/06 S Tingey	4.10 Analyze issue regarding Slade Development (0.3); analyze, obtain information regarding Suttles loans (0.4); telephone conference call with T. Allison, J. Atkinson, R. Cox, S. C. Strong, A. W. Jarvis, D. M. Monson and E. A. Monson regarding various administration issues , including default interest issues (1.6); Telephone conference with J. Atkinson, S. Smith, S. Steele, M. Haftl, D. M. Monson and K. G. Glade regarding default interest issues (1.4); analyze default interest issues (0.4).
10/31/06 S Tingey	.80 Telephone conference with M. Olson regarding Suttles loan (0.2); revise letter to attorney for Suttles (0.6).
10/31/06 E Toscano	.90 Followup and correspondence with Fidelity National Title Company and Orange Coast Title Company regarding the Monaco, Clear Lake and Roripaugh Ranch properties (.3); review Ownership and Encumbrance Report on the Monaco property (.2); numerous emails with Michelle Martin, Pia Kastrenakes and Helen Johnson regarding updated title reports (.4).

TOTAL FOR LEGAL SERVICES RENDERED

\$38,585.50